

CENTRAL INTELLIGENCE AGENCY

# INFORMATION REPORT

REPORT NO.

CD NO.

COUNTRY Czechoslovakia

DATE DISTR. 17 June 1949

**SUBJECT** Pledge of Fulfillment of 1949  
Foreign Trade Plan

NO. OF PAGES

PLACE  
ACQUIRED

NO. OF ENCLS.  
(LISTED BELOW)

DATE  
ACQUIRED BY SOURCE

25X1X

SUPPLEMENT TO  
REPORT NO.

SOURCE DOCUMENTARY

Available on loan from the CIA Library is an English translation of a six-page document entitled, "Pledge of the Factory Organization of the Czechoslovak Communist Party within the Ministry of Foreign Trade in Honor of the Ninth Party Congress", and an English translation of a two-page document entitled, "Alternate Plan for Foreign Trade in 1949". These documents were prepared within the Ministry of Foreign Trade and approved by the Central Planning Commission. The documents list measures to be taken towards fulfilling the foreign trade plan for 1949.

—ဝက်သံ—

**CONFIDENTIAL**

CLASSIFICATION		CONFIDENTIAL/IN OFFICIALS ONLY	
STATE	<input checked="" type="checkbox"/> NAVY	<input checked="" type="checkbox"/> NSRB	DISTRIBUTION
ARMY	<input checked="" type="checkbox"/> AIR	<input checked="" type="checkbox"/> FBI	

~~SECRET~~

U.S. OFFICIALS ONLY

25X1A

Pledge of the Factory Organization of the Czechoslovak Communist  
Party Within the Ministry of Foreign Trade in Honor of the Ninth  
Party Congress

A. Fulfillment of the Plan for Foreign Trade in 1949.

The fulfillment of the foreign trade plan is one of the chief prerequisites for the fulfillment of the national economic plan. Realizing this fact, and realizing all the difficulties in the way of proper fulfillment of the foreign trade plan, we have set ourselves the task of guaranteeing its fulfillment in 1949. The fulfillment of this task is our pledge to the Ninth Party Congress.

After careful preliminary study of the whole subject among our directors, we have come to the conclusion that, to assure the fulfillment of the plan for the Ministry of Foreign Trade for 1949, it is necessary:

1. To publicize the plan among the personnel of the licensed companies and the Ministry of Foreign Trade, to arouse their interest in its fulfillment, and to hold socialistic contests with this end in view.

2. To awaken export-consciousness among the personnel of production enterprises working for export, and interest in fulfilling the export plan; to publicize it, and to hold socialistic contests with the purpose of improving the quality of products for export and meeting delivery deadlines.

3. To emphasize to the supervisory officials of the Ministry of Foreign Trade and of the licensed companies their personal responsibility for meeting the plan in full and in individual segments, and to modify their effort toward the goal of fulfilling the plan both in quantity and in value.

4. Likewise, to emphasize to the supervisory officials in production that they are personally responsible for maintaining the prescribed quality of goods for export, for meeting delivery

~~SECRET~~

CONFIDENTIAL

87

~~CONFIDENTIAL~~  
~~SECRET~~ U.S. OFFICIAL

25X1A

deadlines, for proper packing, and especially for the proper fulfillment of all terms in the contract.

5. To make other persons in the producing enterprises also responsible for the proper fulfillment of the export requirements and to grant them the necessary authority.

6. To organize cooperation of these responsible persons and supervisory officials in production with delegates of the ROH (Revolutionary Trade Union Movement) and the factory organizations of the Czech Communist Party in the factories, with the purpose of fulfilling the export plan.

7. To organize cooperation of the supervisory officials in the licensed companies and in the Ministry of Foreign Trade with the organizations of the ROH and of the Czechoslovak Communist Party in the companies and in the Ministry of Foreign Trade, with the purpose of fulfilling the plan, just as in the case of production.

8. To draw up trade policy provisions for the fulfillment of the plan.

9. To build up a smoothly functioning network of delegates and trade representatives to work abroad under the constant control and supervision of commercial attaches.

10. To exercise constant and systematic observation of foreign markets, with special reference to setting prices, buying and selling capacity, production of raw materials, local manners and customs, and competition.

11. To assure the adaptability both of the licensed companies and of the producing enterprises to changes originating in foreign markets.

12. To publicize our products for foreign countries by taking part in fairs and in permanent and temporary expositions and shows, and by suitable and effective insertions in the local press, by issuing special publicity publications in the language concerned, by popular lectures, etc.

~~SECRET~~

~~CONFIDENTIAL~~

~~U.S. OFFICIAL~~

~~SECRET~~ OFFICIALS USE ONLY  
**CONFIDENTIAL**

13. To insure the constant cooperation of our licensed companies with the similar organizations of the other People's Democracies of the world, with the particular purpose of persuading them to appear jointly with our companies in fairs in capitalist countries.

14. To draw up contracts for the licensed companies and for the producing enterprises, which would automatically compel them to maintain the stipulated quality of products for export, delivery deadlines, and proper packing according to the instructions of the licensed companies, and compel the licensed companies to buy and sell the finished goods promptly.

15. To draw up transport clauses for the fulfillment of the plan.

16. To grant the licensed companies the necessary office space, typewriters, calculating and adding machines, personnel, and vehicles.

17. To set up a smoothly functioning section to control the licensed companies, as an independent auxiliary agency of the central director and of the Ministry of Foreign Trade, and to direct its activity primarily toward fulfillment of the plan, working out its details, controlling prices, quality, observance of delivery deadlines, proper packing, and prompt settlement of problems, complaints, etc.

18. To exercise control and keep records on the fulfillment of the plan in all cases.

19. To coordinate cooperation between the trade policy sections of the Ministry of Foreign Trade and the National Bank of Czechoslovakia.

20. To permit a more elastic shifting of the items of the plan among the various foreign exchange areas in consideration of trade policy requirements, to permit and facilitate the fulfillment of the plan.

21. To investigate the most difficult and least adequately fulfilled export clauses of the foreign trade plan.

**CONFIDENTIAL**

~~SECRET~~  
**CONFIDENTIAL****U.S. OFFICIALS ONLY**

22. To maintain checked and expedited selection of supervisory personnel of the licensed companies and of their political and professional training systems.

23. To maintain a system of selecting workers from production enterprises and admitting them to the appropriate licensed companies and their accelerated training programs.

By carrying out all these provisions properly, we shall create the foundation for 100 percent fulfillment of the plan. To carry out these provisions, we have set ourselves the following tasks:

1. To organize regular monthly meetings of the employees of the licensed companies or their branches, and of the sections of the Ministry of Foreign Trade, with a program of information and discussion on the fulfillment of the plan.

2. To hold a contest, according to the standards set by the Minister of Foreign Trade, among the various companies and branches, and occasionally among the sections and departments of the Ministry of Foreign Trade, to fulfill the plan by a higher percentage:

- a. as a whole
- b. in separate areas
- c. in value and in quantity.

3. Through the ROH, to organize popular lectures at the main enterprises and factories producing for export, on the importance of exports and foreign trade in general, on the necessity of fulfilling the foreign trade plan in connection with the fulfillment of the national production plan, and on the conditions which assure its fulfillment. The licensed companies will carry out the program with the support of the Ministry of Foreign Trade and directors appointed by the Kraj councils of the Czechoslovak Communist Party. These directors shall be given the necessary instructions by Comrade Sedivy.

4. To request the citation of central administrations of companies, of individual supervisors in departments and branches

**CONFIDENTIAL****U.S. OFFICIALS ONLY**

~~SECRET~~ CONFIDENTIAL U.S. OFFICIALS

25X1A

and of the companies, and of heads of departments and sections in the Ministry of Foreign Trade, for their consciousness of their personal responsibility for the fulfillment of the foreign trade plan. The central directors and the heads of departments in the Ministry of Foreign Trade will cite another Minister, while the other directors in a company will cite the central director or, in the Ministry of Foreign Trade, a department chief.

5. To come to an agreement with the Ministries of Industry, Agriculture, and Food, in order to make the supervisory officials of production enterprises working for export personally responsible for the stipulated quality of export products, for meeting delivery deadlines, and for proper packing of merchandise.

This is to be carried out by the Second Department of the Ministry of Foreign Trade by 30 April 1949.

6. To come to an agreement with the Ministries of Industry, Agriculture, and Food, so that certain persons engaged in production, in individual enterprises, and in factories may be made responsible for maintaining the stipulated quality, delivery deadlines, and proper packing of goods for export.

This is to be carried out by the Second Department of the Ministry of Foreign Trade by 30 April 1949.

7. To organize cooperation in the ROH and factory organizations of the Czechoslovak Communist Party between the persons mentioned in the foregoing item and specially appointed representatives of the ROH and the Czech Communist Party. The ZOS not identified and factory organizations of the Czechoslovak Communist Party in the Ministry of Foreign Trade shall carry this out by 15 May 1949.

8. To organize regular conferences of the directors of the companies with representatives of all ZOS and factory organizations of the Czechoslovak Communist Party on fulfilling the plan. The ZOS and ZO (Factory Organizations) of the Czechoslovak Communist

CONFIDENTIAL

~~SECRET~~

U.S. OFFICIALS

~~CONFIDENTIAL~~

U.S. OFFICIALS ONLY

Party in the Ministry of Foreign Trade are to carry this out by  
20 March 1949.

9. The trade policy sections shall draw up provisions for the fulfillment of the plan by negotiating new or concluding supplementary international trade agreements.

10. To organize a net of foreign representatives promptly. This is to be carried out by the Second Department of the Ministry of Foreign Trade in cooperation with the trade policy sections and the personnel department by 30 June 1949.

11. To instruct the First Department of the Ministry of Foreign Trade, in collaboration with the trade policy sections, to furnish reports on foreign markets, and to begin work immediately toward issuing pertinent information at frequent intervals to the licensed companies and other departments of the Ministry of Foreign Trade.

12. To empower the Czechoslovak Chamber of Commerce to coordinate the propaganda activity and facilities of companies and commercial attaches, and to exercise supervision over them. The Second Department of the Ministry of Foreign Trade shall carry this out by 15 March 1949.

13. To work out, in agreement with the Ministries of Industry, Agriculture, Food, Finance, and <sup>Foreign</sup>~~International~~ Trade, basic contracts between licensed companies and producers. To be carried out by the Second Department of the Ministry of Foreign Trade by 30 April 1949.

14. Department II, Section 9, in cooperation with the trade policy sections, shall set up a detailed plan for transport, allowing for seasonal fluctuations, and discuss the elimination of difficulties and shortages with the Ministry of Transportation by 30 April 1949.

15. Through the factory organizations of the Czechoslovak Communist Party, to make arrangements with the producing enterprises which have their own export and import sections for separate distribution of their products, to insure that the office space, equipment,

~~CONFIDENTIAL~~

U.S. OFFICIALS ONLY

~~CONFIDENTIAL~~

U.S. OFFICIALS ONLY

and vehicles used by those sections be turned over to the licensed companies. To be carried out by the factory organizations of the Czechoslovak Communist Party in the Ministry of Foreign Trade by 30 April 1949.

16. The Sixth Department of the Ministry of Foreign Trade, in cooperation with the trade policy sections, shall arrange more elastic shifting of items of the plan among foreign exchange areas.

17. To assign to the personnel department the training of supervisory personnel of the licensed companies, the training of white-collar workers of other countries, and the selection of the necessary labor personnel for foreign trade, by 30 July 1949.

18. The Study Department will arrange:

I. That the experts of the Planning Service (SUP), who took part in drawing up the plan and who know best about the weakest parts of the export plan, work out, with the factory concerned or with the area or country for which the export was intended, a study of those parts of the plan that are most vulnerable because of their manner of expression or nomenclature.

II. That meetings be held to study export problems (with the licensed companies and the area and commodity directors concerned)

a. to plan alternate exports, as far as possible of the same products, or of other products made from the same raw materials which are more suitable for export,

b. or to recommend appropriate secondary proposals (prices, publicity, etc.) for carrying out the weakest items of our plan, by 30 June 1949.

19. To assign the companies to prepare charts at the beginning of every month, showing the fulfillment of the plan for the entire company and for the various branches. One of these charts shall be displayed in the local companies so that it is accessible to all employees. The companies shall send the Ministry of Foreign Trade five copies of each chart.

The First Department of the Ministry of Foreign Trade shall plan the

~~CONFIDENTIAL~~~~SECRET~~

U.S. OFFICIALS ONLY



~~CONFIDENTIAL~~

U.S. OFFICIALS ONLY

B. Alternate Plan for Foreign Trade in 1949

Realizing that the fulfillment of the foreign trade plan will not exhaust our export capacity, we have pledged ourselves to draw up provisions for fulfilling an alternate plan for exports amounting to two billion crowns.

Past experience has shown that the export conditions on the basis of which the normal plan was drawn up six months ago have changed to such an extent that an alternate plan calling for two billion crowns' worth of additional exports can be fulfilled.

To insure the fulfillment of the entire alternate plan, we shall perform the following, in addition to the pledges in A:

1. By the end of March 1949 the factory organizations of the Czechoslovak Communist Party in the Ministry of Foreign Trade will enter into negotiations with the factory organizations of the Czechoslovak Communist Party in the National Reconstruction Foundation and will arrange that materials (machinery, Persian rugs, etc.) in the possession of the National Reconstruction Foundation be promptly sorted and utilized as far as possible for export. The export of Persian rugs will be assigned to Merkuria.

2. The Ministry of Foreign Trade (First Department) will prepare the material already collected for the supplementary export plan by the end of March of this year.

3. The Ministry of Foreign Trade (First Department) will distribute this supplementary plan to the licensed companies, together with an order for its fulfillment, by 7 April.

4. The Ministry of Foreign Trade (First and Second Departments) will arrange for a detailed examination of the import plan and the possibility of lowering it, by the end of April.

5. The trade policy departments of the Ministry of Foreign Trade will investigate neglected markets, especially Indonesia, Siam, the Philippines, and South and Central America, by the end of June.

~~CONFIDENTIAL~~

U.S. OFFICIALS ONLY

~~SECRET~~ U.S. OFFICIALS 0~~CONFIDENTIAL~~

6. The Ministry of Foreign Trade will arrange that by 30 June the NUC (Supreme Price Office) shall make new calculations and set new domestic prices (at least for the most important kinds of imported and exported goods), on the basis of which definite negotiation prices may be set by the licensed companies. On this basis the licensed companies will revise their computation for products which have been imported sparingly by some countries because of price discrepancies.
7. The Ministry of Foreign Trade will arrange that the monopolistic companies, in cooperation with the central administrations of production, carry out a detailed analysis of all clauses by 30 June 1949, to reveal all items which were not covered by the export plan when it was drawn up or which could be exported in greater quantity.
8. The Ministry of Foreign Trade will see that proper records of orders are kept in the licensed companies, so that correspondence, especially with foreign countries, may be expedited as much as possible.
9. The Ministry of Foreign Trade will take steps, through the Ministry of Industry, to see that new computations of prices of products are made.
10. The Ministry of Foreign Trade will see that central distribution points are established, which will keep records of raw materials and of their proper distribution to production enterprises.

~~CONFIDENTIAL~~

U.S. OFFICIALS 0

~~SECRET~~